

**Questions and Answers for the 1st Pre-Proposal Conference for
Targeted Biomass Solicitation for Biogas Systems
or Anaerobic Digestion Technologies**

May 14, 2002, 1516 9th Street, Sacramento, CA 95814

1. Question: What are the chances for this Solicitation to go forward considering the Budget deficit in California?

Answer: The funding for this Solicitation is already allocated, thus, the risk for the fund to be taken away is minimal.

2. Question: If a project will be able to increase electricity generation efficiency 20-30% by improving existing external combustion engine, do you consider this as a qualified project to this solicitation?

Answer: Yes, however, the existing external combustion engine has to be integrated with an anaerobic digestion system.

3. Question: Will the targeted parameters, such as air emission parameters, be measured after the prime remover system or after an additional gas clean up system?

Answer: The targeted parameters, such as air emission parameters will be measured after the prime mover system.

4. Question: It is very difficult to simultaneously meet the targets on air emission, affordability, capital costs, prime movers, capacity factor, etc. How do you balance those targets for a project to be considered as a good project?

Answer: The applications will be reviewed competitively. Therefore, the applicants need to put the best package they can. Applicants that could meet more targets will receive higher score.

5. Question: How to convert lb/MM Btu into gram/brake horse power-hour?

Answer:

9. Question: Where should an applicant put annual O&M cost information?

Answer: The O&M cost information can be attached under Section 3, Volume 2.

10. Question: What is the agreement target?

Answer: It is the target goal of the grant agreement. The awarded projects will be expected to achieve agreement target goal at the end of the project.

11. Question: What is the capacity factor and how is it calculated?

Answer: Capacity Factor can be calculated as:

$$\text{Capacity Factor (\%)} = \frac{\text{kWh production}}{\text{Design Capacity (kW)} * \text{Hours of operation}} \times 100$$

12. Question: How much match funds should an applicant provide for a project that will be considered as a good project?

Answer: Projects providing a higher percentage of private benefits and lower percentage of public benefits should contribute higher percentage of match funds. The ratio of match funding to PIER funding should reflect the ratio of private benefits to public benefits resulting from successful completion of the project.

13. Question: Is equipment allowed as match fund? How do you measure the value of the equipment if an applicant intends to lease the equipment for 5 years when the project will only last for 3 years?

Answer: Equipment will be allowed as match fund. Equipment means any products, objects, machinery, apparatus, implements or tool purchased used or constructed within the project. The equipment must have a useful life of at least one-year, having an acquisition unit cost of at least \$5000. Equipment also includes groups of items with individual costs less than \$5000, which will be assembled into a single item with a value of \$5000 or more and a useful life of more than one year. The value of the equipment will be determined by the real life of such

equipment within the project life. For example, if an applicant leases the equipment at a total cost of \$10,000 for 5 years when the project will only last for 3 years, the value of the match fund to be considered for the equipment will be \$6000.

14. Question: How many applicants per proposal?

Answer: Only one applicant per proposal with other partners.

15. Question: Will the information provided in the application be kept as confidential document?

Answer: The information submitted to the Commission will be kept confidential during the review, evaluation, and selection processes. However, when an award has been granted all the documents will be in public domain.

16. Question: How will the Commission treat confidential information?

Answer: The Commission will not accept a completed application package marked as confidential in its entirety. We don't encourage sending confidential information. However, if you need to submit partial confidential information to support your application, please submit it under Volume 3 for the Technical and Cost Information Section.

17. Question: Where should applicants provide information for the scope or description of the project?

Answer: The information for the scope of the project can be provided in: Attachment 1, Attachment 3, or Appendix.